TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE

FISCAL MEMORANDUM



HB 2875 – SB 3586

May 18, 2010

SUMMARY OF AMENDMENT (018755): Deletes all language of the original bill. Removes prohibition against reducing the time exposure of yellow lights at intersections if the purpose is to increase the number of traffic violations. Current law will still require the light to remain yellow for at least three seconds. Prohibits state agencies or local governments from installing or maintaining red light surveillance cameras. Notices of violations supported by surveillance cameras are enforceable if the violation occurred prior to January 1, 2011.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Forgone Local Revenue – Exceeds \$500,000/FY10-11
Exceeds \$1,000,000/FY11-12 and Succeeding Years
Decrease Local Revenue – Exceeds \$1,000,000/FY10-11
Exceeds \$2,000,000/FY11-12 and Succeeding Years

Decrease Local Expenditures – Cost Avoidance – Exceeds \$50,000/FY10-11
Exceeds \$100,000/FY11-12
and Succeeding Years
Decrease Local Expenditures – Exceeds \$100,000/FY10-11
Exceeds \$200,000/FY11-12

Assumptions applied to amendment:

- No significant impact in changing yellow light durations.
- State agencies do not currently utilize traffic surveillance cameras.
- Local governments that are not currently operating cameras but that would have utilized cameras in the absence of this legislation will experience forgone local revenue estimated to exceed \$500,000 in FY10-11 and \$1,000,000 in FY11-12 and succeeding years for traffic fines that will not be collected.

- Local governments currently operating cameras will experience a decrease in local revenue estimated to exceed \$1,000,000 in FY10-11 and \$2,000,000 in FY11-12 and succeeding years for traffic fines that will no longer be collected.
- Local governments that are not currently operating cameras but that would have utilized cameras in the absence of this legislation will experience a cost avoidance in local expenditures estimated to exceed \$50,000 in FY10-11 and \$100,000 in FY11-12 and succeeding years for not paying vendors a portion of fines.
- Most cameras are operated through a contract with a vendor; the vendor is paid a
 percentage of fines collected. Local governments currently operating cameras will
 experience a decrease in expenditures estimated to exceed \$100,000 in FY10-11 and
 \$200,000 in FY11-12 and succeeding years for no longer paying vendors a portion of
 fines

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

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